Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Higher Education Committee

HB 1451

Brief Description: Eliminating the goal of global challenge state funding levels.

Sponsors: Representatives Haler and Anderson.

Brief Summary of Bill

• Removes a goal for total per-student funding levels at Washington's higher education institutions at the 60th percentile of total per-student funding at similar institutions in the Global Challenge States.

Hearing Date: 2/2/11

Staff: Madeleine Thompson (786-7304).

Background:

The Global Challenge States and WA Learns.

Legislation enacted in 2005 directed a comprehensive education and finance study, known as Washington Learns. The steering committee was chaired by the Governor and there were advisory committees for each sector of education: early learning, K-12, and higher education. Among other recommendations, the final Washington Learns report included a recommendation to benchmark Washington's institutions of higher education against similar institutions in the Global Challenge States.

The Global Challenge States were originally defined by the Progressive Policy Institute in 2002 as the top performing states on the New Economy Index. This index compares states on 21 indicators designed to measure global economic competitiveness. The Information Technology and Innovation Foundation, a non-profit, non-partisan research entity, developed the latest new Economy Index in 2010 based on the same indicators. Both in 2002 and 2010 Washington ranked second among all states based on its ability to compete globally and Massachusetts ranked first.

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Legislation enacted in 2007 placed the Global Challenge State benchmark in statute. The goal for total per-student funding levels (from state appropriations plus tuition and fees) at institutions of higher education in Washington is at least the 60 percentile of total per-student funding at similar institutions in the Global Challenge States. The Office of Financial Management (OFM) is charged to develop a four-year funding trajectory for each four-year institution of higher education and the community and technical college system and adjust for regional cost of living expenses, for differences in program offerings, the relative mix of lower division, upper division, and graduate students, and for accounting and reporting differences among the comparison institutions. At least once every five years, OFM must update the list of Global Challenge States. The most recent analysis was completed in November 2010.

Summary of Bill:

The goal for total per-student funding levels at Washington's higher education institutions at the 60th percentile of total per-student funding at similar institutions in the Global Challenge States is removed.

Appropriation: None.

Fiscal Note: Requested on 1/26/2011.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.